

Congress of the United States
Washington, DC 20510

June 15, 2022

The Honorable Gina Raimondo
Secretary of Commerce
U.S. Department of Commerce
14th Street and Constitution Ave., N.W.
Washington, D.C. 20230

Dear Secretary Raimondo:

We write again to **urge the Department of Commerce to consider several issues regarding the currently pending antidumping duty investigation of urea ammonium nitrate solutions from Trinidad and Tobago.**

In January, the Department of Commerce (Department) issued a preliminary determination in the antidumping investigation of urea ammonium nitrate (UAN) solutions for the only foreign producer/exporter involved in the investigation of 63.08%.¹ A month later, the Department increased that margin to correct a so-called “ministerial error” to 111.64%.²

Our understanding is that the involved producer/exporter’s dumping margin resulted in large part from the application of the “particular market situation” (PMS) provision enacted as part of the Trade Preferences Extension Act of 2015³ to its purchases of natural gas and electricity. In both cases, the Department exercised its discretion to conclude, preliminarily, that the producer/exporter’s purchases did not represent fair market prices for these inputs.⁴

While we do not have access to the confidential record in this case, the public record suggests that these adjustments may not have been factually supported. At a minimum, the Department’s PMS adjustment for natural gas appears to impose a double remedy, inasmuch as the producer/exporter’s purchases of natural gas were addressed in the parallel countervailing duty investigation of the same product.⁵ With regard to electricity, the Department’s use of electricity rates from other Caribbean countries as benchmarks seems inappropriate, given that electricity production conditions between Trinidad and Tobago and the remaining Caribbean countries are so fundamentally different.⁶

¹ International Trade Administration, *Preliminary Determination in the Antidumping Duty Investigation of Urea Ammonium Nitrate Solutions from. . . Trinidad and Tobago*, <https://www.trade.gov/faq/preliminary-determinations-antidumping-duty-investigations-urea-ammonium-nitrate-solutions>, January 27, 2022.

² *Id.*

³ Trade Preferences Extension Act of 2015, P.L. 114-27, 129 Stat. 362, 2015 Enacted H.R. 1295. (2015).

⁴ International Trade Administration, *Trinidad and Tobago*.

⁵ *Id.*

⁶ International Energy Agency, *Trinidad and Tobago*, <https://www.iea.org/countries/trinidad-and-tobago>, 2019.

The Department's decision to exercise its discretion to increase the producer/exporter's cost of production, and thus its dumping margin, has effectively shut down all imports of UAN from Trinidad and Tobago at a time when U.S. fertilizer prices are at all-time highs. Several factors have led to these increased expenses – China's curtailed fertilizer exports⁷; a congested supply chain; increased demand; severe weather; the COVID-19 pandemic; and general inflationary pressures. Unfortunately, the Department's preliminary determination is only contributing to extreme hardship to America's farmers.

We understand that this investigation is on-going. Prior to the Department making a final determination later this month, we urge you to carefully consider these issues and the producer/exporter's arguments that these adjustments were contrary to the law, the Department's own precedent, and the factual record.

We appreciate your attention to this critical matter and look forward to your response.

Sincerely,



Tracey Mann
Member of Congress



Jerry Moran
United States Senator



Sam Graves
Member of Congress



James Lankford
United States Senator



Blaine Luetkemeyer
Member of Congress



Roger Marshall, M.D.
United States Senator



Eric A. "Rick" Crawford
Member of Congress



Bob Gibbs
Member of Congress



Vicky Hartzler
Member of Congress



Austin Scott
Member of Congress

⁷ Bloomberg News, *China's Curbs on Fertilizer Exports to Worsen Global Price Shock*, <https://www.bloomberg.com/news/articles/2021-10-19/china-s-curbs-on-fertilizer-exports-to-worsen-global-price-shock?sref=q8seIhDd>. October 19, 2021.



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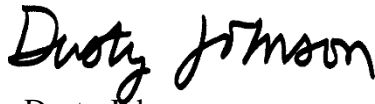
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CC: Jason Kearns, Chair, U.S. International Trade Commission
Marisa Lago, Under Secretary of Commerce for International Trade
Thomas J. Vilsack, Secretary of Agriculture
VACANT, Under Secretary for Trade and Foreign Agricultural Affairs
Katherine Tai, United States Trade Representative